

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 6355**

**BILL NUMBER:** SB 238

**NOTE PREPARED:** Dec 22, 2010

**BILL AMENDED:**

**SUBJECT:** Public Transportation Corporation Tax Levies.

**FIRST AUTHOR:** Sen. Kruse

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** This bill indicates that the maximum permissible levy of a public transportation corporation increases when the municipality in which it is located annexes additional territory.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Under current law, the boundaries of a public transportation corporation (PTC) change whenever a municipality annexes territory so that the PTC's boundaries remain coterminous with those of the municipality.

Current law also provides an automatic increase in a civil taxing unit's maximum levy when the unit's geographic boundaries change. The increase is equal to the percentage increase in the assessed valuation base, up to 15%.

This bill would clarify that the maximum levy adjustment applies to a PTC after an annexation without the need to file an appeal under the maximum levy appeal statute.

There are currently 8 PTCs in the state.

**State Agencies Affected:** Department of Local Government Finance (DLGF).

**Local Agencies Affected:** Public Transportation Corporations.

**Information Sources:**

**Fiscal Analyst:** Bob Sigalow, 317-232-9859.